

**UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
Southern Division – Detroit**

LC TRADEMARKS, INC.,
a Michigan corporation, and
BLUE LINE FOODSERVICE
DISTRIBUTION, INC.,
a Michigan corporation,

Plaintiffs,

v.

BITWEALTH HOLDINGS, LLC,
a Nevada limited liability
company,
MATTHEW GOETTSCHE,
a Colorado citizen,
GAVIN DICKSON,
a Utah citizen,
GEORGE OMAR KOURY,
a Nevada citizen,
GEORGE OMAR KOURY,
Trustee of the VM3G Family
Trust,
GINA RENEE KOURY,
a Nevada citizen,
GINA RENEE KOURY,
Trustee of the VM3G Family
Trust,
AFIFI KOURY,
a Nevada citizen,
THOMAS B. ROSHEK, III,
a Texas citizen,
DANIELLE GOETTSCHE,
a Colorado citizen, and
TARA MICHELLE DUVAL,
a Texas citizen,

Defendants.

Case No. 19-cv-13782
Honorable Paul D. Borman

**DEFENDANTS BITWEALTH HOLDINGS, LLC, MATTHEW
GOETTSCHKE, AND DANIELLE GOETTSCHKE'S ANSWER TO
COMPLAINT AND AFFIRMATIVE DEFENSES**

Defendants BitWealth Holdings, LLC (“BitWealth”), and Matthew and Danielle Goettsche (“Goettsche”), by their counsel, The Law Offices of Jay Y. Mandel, PLLC, submit the following as their Answer and Affirmative Defenses in response to the Complaint filed by Plaintiffs:

THE PARTIES

1. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.
2. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.
3. BitWealth and the Goettsches admit that BitWealth is a Nevada limited liability company and that its members are Matthew Goettsche, a Colorado citizen, and Gavin Dickson, a Utah citizen. BitWealth and the Goettsches deny the remaining allegations of the paragraph for the reason they are untrue.
4. Admitted that Matthew Goettsche is a natural person and Colorado citizen. BitWealth and the Goettsches deny the remaining allegations of the paragraph for the reason they are untrue.

5. Admitted that Gavin Dickson is a natural person and a Utah citizen. BitWealth and the Goettsches deny the remaining allegations of the paragraph for the reason they are untrue.

6. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

7. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

8. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

9. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

10. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

11. Admitted that Danielle Goettsche is a natural person and Colorado citizen. BitWealth and the Goettsches deny the remaining allegations of the

paragraph for the reason they are untrue.

12. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

JURISDICTION AND VENUE

13. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

14. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

15. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

BACKGROUND FACTS

16. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

17. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of

the allegations.

18. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

19. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

20. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

21. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

22. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

23. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

24. BitWealth and the Goettsches neither admit nor deny the allegations in

this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

25. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

26. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

27. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

28. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

29. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

30. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

31. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

32. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

33. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

34. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

35. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

36. BitWealth (through Matthew Goettsche) and the Goettsches admit that each signed the Deed of Guarantee, Indemnification, and Acknowledgement (“Guarantee”) attached to the Complaint. BitWealth and the Goettsches neither admit nor deny the remaining allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

37. BitWealth and the Goettsches deny the allegations in this paragraph for the reason they are untrue.

38. BitWealth and the Goettsches deny the allegations in this paragraph for the reason they are untrue.

39. BitWealth and the Goettsches deny the allegations in this paragraph for the reason they are untrue.

40. BitWealth and the Goettsches deny the allegations in this paragraph for the reason they are untrue.

41. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

42. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

COUNT I – BREACH OF CONTRACT

43. BitWealth and the Goettsches incorporate by reference their answers to the preceding paragraphs.

44. BitWealth and the Goettsches deny the allegations in this paragraph for the reason they are untrue.

45. BitWealth and the Goettsches neither admit nor deny the allegations in

this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

46. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

47. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

48. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

49. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

50. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

51. BitWealth and the Goettsches deny the allegations in this paragraph for the reason they are untrue.

52. BitWealth and the Goettsches neither admit nor deny the allegations in

this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

53. BitWealth and the Goettsches deny that any failure to pay by them constitutes a material breach of the Guarantee for the reason it is untrue. BitWealth and the Goettsches otherwise neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

54. BitWealth and the Goettsches neither admit nor deny the allegations in this paragraph as they lack sufficient knowledge to form a belief as to the truth of the allegations.

AFFIRMATIVE DEFENSES

BitWealth and the Goettsches hereby assert the following special and/or affirmative defenses:

1. The Complaint fails to state a claim upon which relief may be granted.
2. The Complaint is barred by Plaintiffs' failure to satisfy conditions precedent.
3. The Complaint is barred by Plaintiffs' prior material breach of contract.
4. The Complaint is barred by Plaintiffs' failure to mitigate damages.
5. The Complaint is barred by Plaintiffs' unclean hands, to the extent Plaintiffs seek equitable relief.

WHEREFORE, BitWealth and the Goettsches request that the Court dismiss the Complaint with prejudice as to all claims and remedies sought against them, and award them their attorneys fees and costs, in addition to such further relief that the Court deems just. BitWealth and the Goettsches further reserve the right to modify or supplement their Answer and their Affirmative Defenses as discovery proceeds or in the interests of justice.

DATED: March 2, 2020

Respectfully submitted,

/s/Jay Mandel

Jay Y. Mandel (P60576)

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on March 2, 2020, I filed the foregoing with the Clerk of Court using the Court's CM/ECF system, which will serve an electronic copy to all counsel of record.

/s/Jay Mandel

Jay Mandel